



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 6/17/2025

ITEM NO: 12

DATE: June 12, 2025

TO: Mayor and Town Council

FROM: Chris Constantin, Town Manager

SUBJECT: Authorize the Town Manager to Execute Contracts Related to the Shannon Road Repair Project (CIP No. 811-0008), Including a Public Works Contract with Ground Control, Inc. in the Amount of \$3,572,874, with Construction Change Orders Up to \$357,287; Consultant Services Agreements with Haley & Aldrich Inc. in the Amount of \$280,311 for Construction Management and \$110,500 for Geotechnical Services; Consultant Services Agreement with Inspection Services Inc. in the Amount of \$74,122.40 for Materials Testing; a Third Amendment to the Agreement with Nichols Consulting Engineers for an Increase of \$68,700 for a Total Agreement Not to Exceed \$555,600; and Approve Project Plans and Specifications and CEQA Exemption

RECOMMENDATION:

Staff recommends that the Town Council take the following actions regarding the Shannon Road Repair Project (CIP No. 811-0008):

- a. Authorize the Town Manager to execute a public works contract with Ground Control, Inc. (Attachment 1) for the base bid in the amount of \$3,572,874;
- b. Authorize the Town Manager to execute construction change orders in an amount not to exceed ten percent (10%) of the construction contract award amount (\$357,287);
- c. Approve the project construction plans and specifications (Attachment 3) per Government Code 830.6 – Design Immunity;
- d. Find this project Categorically Exempt under Section 15061(b)(3) & 15301(c) of the California Environmental Quality Act;
- e. Authorize the Town Manager to execute a Consultant Services Agreement with Haley & Aldrich Inc. for Construction Management Services (Attachment 4) in an amount not to exceed \$280,311;

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Senior Civil Engineer

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

- f. Authorize the Town Manager to execute a Consultant Services Agreement with Haley & Aldrich Inc. for Geotechnical Services (Attachment 5) for a total agreement in an amount not to exceed \$110,500;
- g. Authorize the Town Manager to execute a Consultant Services Agreement with Inspection Services Inc. for Materials Testing Services (Attachment 6) for a total agreement in an amount not to exceed \$74,122.40; and
- h. Authorize the Town Manager to execute the Third Amendment to the Consultant Services Agreement with Nichols Consulting Engineers (NCE) (Attachment 7) to increase the compensation by \$68,700 for a total agreement amount not to exceed \$555,600.

STRATEGIC PRIORITIES:

This project supports the Core Goal of **Quality Public Infrastructure**.

FISCAL IMPACT:

The FY 2024-25 CIP Budget for the Shannon Road Repair Project (CIP No. 811-0008) is sufficient for the recommended construction contract (including contingency and project delivery costs) and the consultant services contracts recommended here within. Future fiscal year funding will be subject to budget appropriations made during the Town's annual budget process.

BACKGROUND:

The portion of Shannon Road between Santa Rosa Drive and Diduca Way has experienced long-term pavement cracking and settlement. A geotechnical study was conducted in 2020, and the consultant recommended retaining walls and reconstruction of the westbound lane to stabilize the embankment. Continued deterioration of the roadway creates some urgency for a permanent solution.

On May 31, 2021, the Town entered into an agreement with Nichols Consulting Engineers to analyze and prepare design plans through construction. Plans were finished in November 2023, but the project could not proceed until the Town acquired the right-of-way needed to build retaining walls on the northern boundary of the project.

On March 31, 2025, the Town acquired the right-of-way needed for the construction of retaining walls allowing the project to proceed.

DISCUSSION:

The Shannon Road Repair Project was advertised for bid on April 25, 2025. On May 20, 2025, bid packages were opened, and nine contractors submitted bids. A summary of bid results is presented in Table 1 with Ground Control Inc. as the apparent low bidder. A detailed list of bid results is in Attachment 2.

Table 1. Bid Summary for Shannon Road Repair Project (CIP No. 811-0008)

Contractor	Base Bid
Engineer's Estimate	\$3,597,700.00
Ground Control Inc.	\$ 3,572,874.00
Granite Rock Company	\$ 3,589,267.00
Ghilotti Construction Company, Inc.	\$ 3,649,422.20
Rehak General Engineering	\$ 3,694,840.00
Joseph J. Albanese, Inc.	\$ 3,798,242.00
Granite Construction Company	\$ 3,883,019.00
D-Line Constructors, Inc.	\$ 4,163,317.50
Gordon N. Ball, Inc.	\$ 4,177,015.00
Galeb Paving Inc.	\$ 4,464,533.50

Government Code 830.6 states that neither a public entity nor a public employee is liable under this chapter for an injury caused by the plan or design of a construction of, or an improvement to, public property where such plan or design has been approved in advance of the construction or improvement by the legislative body. Staff requests that the Town Council approve the construction plans for this project. The project construction plans are provided in Attachment 3 and can also be found at the following link:

<https://www.losgatosca.gov/DocumentCenter/View/42090/20-811-0008-Shannon-Road-Repair-Plans?bidId=>

This project requires specialized construction support services. Staff sought services for construction management, geotechnical services, and materials testing from the Parks and Public Works list of on-call engineering consultants that was approved by Town Council on February 20, 2024. Three proposals for Construction Management and two proposals for Geotechnical Services were received.

Staff recommends that Haley & Aldrich Inc. be selected for both Construction Management (Attachment 4) and Geotechnical Services (Attachment 5) based on their qualifications and experience. This firm was the geotechnical engineer during the design phase, providing continuity during construction phase.

The Town received two proposals for materials testing and Inspection Services Inc. (Attachment 6) was selected based on quality of their proposal and ability to perform the work successfully.

Staff is also recommending a third amendment to the agreement for services with Nichols Consulting Engineers (NCE), the lead designer of the project, for construction support services and project management.

Shannon Road will be fully closed between Diduca Way and Santa Rosa Road for five to seven months. The Parks and Public Works will develop an outreach plan to notify neighbors, stakeholders, and emergency services. Communication tools will include project website, social

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media posts, on-site changeable message signs, and notices to nearby residents. Staff will brief the Town Council with monthly construction updates.

The following fiscal table for the Shannon Road Repair Project (CIP No. 811-0008) displays FY2024-25 the current available project balance, proposed transactions requested with this staff report, and the resulting balance.

Shannon Road Repair		
CIPNo. 811-0008		
Budget		
Existing Appropriations	\$	5,963,069
Subtotal		\$5,963,069
Expenditures		
Existing Expenditures		
Consultant Services - Nichols Consulting Engineers	\$	549,973
Construction Services - Bosco Oil Inc	\$	25,000
Construction Services - Bay Area Traffic	\$	25,577
Construction Services - Pacific Highway	\$	37,928
Construction Services - Traffic Management	\$	7,581
Construction Services - Burke Williams	\$	45,000
Land Acquisition	\$	40,657
Other Project Costs	\$	246
Expenditures Recommended with this Staff Report		
Construction Services - Ground Control Inc	\$	3,572,874
Project Contingency	\$	357,287
Consultant Services - Haley & Aldrich Inc	\$	280,311
Consultant Services - Haley & Aldrich Inc	\$	110,500
Consultant Services - Inspection Services Inc	\$	74,122
Consultant Services - Nichols Consulting Engineers amendment	\$	68,700
Subtotal	\$	4,463,795
Balance	\$	1,499,274

CONCLUSION:

The proposed actions would allow the Town to proceed with executing an agreement for construction services with Ground Control to install retaining wall and repair roadway on

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Shannon Road.

COORDINATION:

This report has been coordinated with the Finance Department and the Town Attorney's Office.

ENVIRONMENTAL ASSESSMENT:

This is a project defined under CEQA as being Categorical Exempt pursuant to CEQA Guidelines Section 15061(b)(3) and 15301(c) (repairs and maintenance on existing facilities). A Notice of Exemption has been filed.

Attachments:

1. Construction Agreement with Exhibit A - Bid Summary
2. Bid Results
3. Construction Plans and Specifications
4. Agreement for Construction Management Services
5. Agreement for Geotechnical Services
6. Agreement for Materials Testing Services
7. Third Amendment to the Consulting Services Agreement